The Contribution of the Postal Service in National Emergencies

Joy Leong Consulting, LLC March, 2011

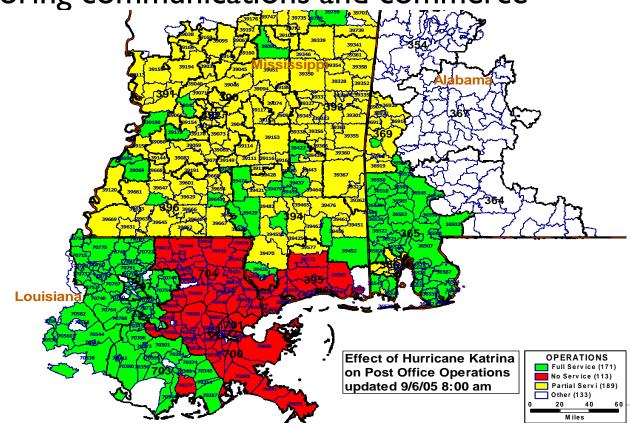
Overview

- "The postal infrastructure is an invaluable federal asset."
- Social benefits in natural disasters and terrorist attacks
- Case study of USPS' role during Katrina recovery
 - Boots on the ground at landfall
 - Delivering government services
 - Locating displaced victims through the Address Management System
- USPS' emergency preparedness efforts
 - Delivery of antibiotics
 - Biohazard detection system
 - National Response Framework and Infrastructure Protection Plan

Katrina recovery effort

- Prior to the storm
- Active management during the storm

Restoring communications and commerce



Katrina Recovery Effort

- Extra Costs to USPS
 - ▶ \$100,000 in materials and infrastructure changes;
 - ▶ \$250,000 in personnel costs
- Infrastructure already in place
- Unrecognized contribution

AMS infrastructure

- ▶ Efforts to locate displaced hurricane victims
 - Reuniting families
 - Delivering government services
- COAs and the Address Management System
 - Extensive outreach efforts
- In FY 2005, 49.6 million COAs filed, 3 million more than any previous year
 - 8-fold increase in COAs in September 2005 in areas affected by hurricanes
 - Area codes 700 and 701 went from 33,000 COAs on file before Katrina to 286,000 in first month after hurricane

Address Management System

- AMS maintenance costs of \$17 million
- USPS estimates cost of replacement would be \$1.24 billion
 - ▶ \$36 million for planning, design, hardware, software, implementation, and training
 - ▶ 20,000 work years at \$60,000/year to recreate data.

Delivery of Antibiotics

- Cities Readiness Initiative
- Unique Role of the Postal Service
 - "The USPS Plan provides access to a federal asset that already is in place in the community and well practiced at residential delivery [I]nvoking the USPS plan could be the only way to save thousands of lives." CDC
- President Obama's 2009 Executive Order
- Reimbursement
 - ▶ \$88,500 one-time payment for reprogramming costs in 2004
 - ▶ \$8 million reimbursement from HHS/ASPR for Postal Model

Biohazard Detection System for the mail

- Anthrax Scare
- USPS had to develop new technology
- Costs, partially reimbursed
 - ▶ \$600 million -- USPS estimated costs for medical treatment to workers in 2001-2002
 - ▶ \$1.2 billion -- CRS estimated costs to USPS in FY 2002 to protect mail recipients
 - \$762 million -- Congressional appropriations for USPS in FY2002 (funding depleted)
 - \$70.1 million -- ongoing costs for operation and maintenance of BDS
 - Currently, no direct appropriations for maintenance costs, etc.

Emergency preparedness responsibilities

- USPS given the responsibilities of a federal agency
- National Response Framework
- National Infrastructure Protection Plan
- USPS has budgeted \$7.8 million
- No appropriations from Congress

Conclusions

- At the time of landfall of hurricane Katrina, the Postal Service already had in place an extensive infrastructure, including a functioning delivery and retail network and an address management system to track displaced persons.
- The Postal Service used this infrastructure to quickly reestablish communications and commerce to disaster areas, to locate displaced hurricane victims, and to deliver government assistance and other essential services.
- It is unlikely that any other entity could have provided the same level and scope of services as the Postal Service did.
- Assigned the responsibilities of a federal agency, the Postal Service continues its preparations to play a crucial role in future emergencies, including the distribution of antibiotics after a biological attack, biodetection of contaminants in the mail, and the protection of vital supply chains— all at little cost to the federal government.
- ▶ The Katrina experience and the major role played by the Postal Service in emergency preparedness programs are vivid reminders that the value to the nation of the Postal Service infrastructure far exceeds its function in the delivery of mail.

Contact information

Joy Leong Consulting, LLC

joy@joyleong.com

(202) 640-2590